



COMESA Monetary Institute Prospectus 2023

DIRECTOR'S MESSAGE

Dear Readers, the COMESA Monetary Institute continues to undertake all technical work to enhance the implementation of the COMESA Monetary Integration Programme which will culminate into COMESA Monetary Union. In 2023, the Institute has scheduled to conduct various capacity development activities to enhance skills of staff in member central banks. The Institute's training and research programs continue to stay attuned to the evolving needs of the COMESA member countries and to keep abreast of developments at the frontier of macroeconomic and financial stability. Beside building capacity in macroeconomic development and financial Stability, the Institute continue undertaking studies to inform the path to the monetary and financial integration of the region.

Over time, the COMESA Monetary Institute programs have enabled participants in member countries central banks to refine skills relevant to their daily duties, making them competent and comparable to their peers in the region and beyond. Our research program enables them to undertake high quality research, which could be used as an important reference by other researchers and policy makers.

We continue to be gratified and motivated by our course participants and for their continued engagement and enthusiasm. Their positive feedback is a source of inspiration to us. We thank the COMESA Committee of Governors of Central Banks for their unwavering support and commitment to region's monetary and financial integration agenda.

Lucas Njoroge (PhD)
Director, CMI

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1.0 WORKSHOPS¹

1.1 Validation Workshop for the User's Guide on "Basel III & Macro Prudential Surveillance"

Date: 6th to 10th March, 2022

Venue: Nairobi, Kenya

The main objective of the validation workshop is to get feedback on the user guide with the hope of further improvement of the content from staff of COMESA member Central Banks. Specifically, the participants of the workshop will, among others;

- (i) Better appreciate the user's guide;
- (ii) Ensure that users gain the required understanding of Basel III standards and principles;
- (iii) Ensure the guide equip users with the tools and techniques for conducting supervision under the revised framework in the most effective way;
- (iv) Share knowledge and experience on implementation of Basel III; and,
- (v) Provide feedback and comments that will allow further improvement of the user's guide.

After validation, the manual will be published by CMI and could be used by member central banks as a reference material and to train their staffs.

Target Group

The target group for this validation workshop are middle level managerial staff working at Bank Supervision Department with three to ten years of experience.

1.2 Validation Workshop of CMI research activities

Date: 13th – 15th August 2023 (Study Theme 1)

Date: 25th – 27th September 2023 (Study Theme 2)

Venue: Nairobi, Kenya

The following country specific research papers which will be prepared by staff of member Central banks will be validated:

- (i) Theme 1 - "Exchange Rate Pass-Through to Domestic Prices" and,
- (ii) Theme 2 - "Impact of Climate Change on Financial Stability"

The objectives of these research activities are among others to:

- (i) Ensure the application of research skills acquired from CMI training programmes;
- (ii) Deepening know how of researchers on the use of various econometric tools to conduct research;
- (iii) Sharing country's experiences on recent policy challenges; and,
- (iv) Enhancing the skills of researchers in order to provide effective policy advice and decision making.

¹ The dates indicated in this prospectus remain tentative and will be confirmed through letters of Invitation from COMESA Monetary Institute to Central Banks.



2.0 TRAININGS:

2.1. Application of Econometric Software to Cross-Sectional Survey Data Using Financial Inclusion Data and its Implication to Financial Stability.

Date: 20th – 24th February, 2023

Venue: Nairobi, Kenya

The training is motivated by the need to better understand the Financial Access Landscape, regionally and internationally and improve the measurement of financial inclusion by COMESA member countries. The training will among others:

- (i) Equip Users with econometric tools for the analysis of survey datasets as well as insights on the development of survey instruments and how they can be replicated in other research areas;
- (ii) Equip Users with practical exposition of FinAccess Household Survey Data with emphasis on hands-on application using the STATA econometric software;
- (iii) Build capacity among Central Bankers and policy analysts on how to successfully roll out surveys and carry out analysis using modern statistical software for policy; and,
- (iv) Share knowledge and experience on FinAccess Household Survey Data.

Target Audience

The training is intended to benefit financial stability analysts, supervisors and regulators from Central Bank of COMESA member countries. It is expected that the nominees for the training have basic knowledge of STATA and SPSS softwares.

2.2. Modelling & Forecasting Volatility in Financial Markets

Date: 27th – 31st March, 2023

Venue: Nairobi, Kenya

The training will address salient features of financial markets especially in less developed countries where the financial markets are less developed and the cost of adjusting to changes in the economic environment is higher, and the fact that financial markets fundamentals and/or financial markets themselves are interrelated.

It will equip participants with appropriate analytical skills and rigour to be able to adequately measure and forecast both direct and spill-over effects due to volatility in prices of financial market assets. The training provides rigorous and robust volatility analysis, allowing users to better inform policy on measures to mitigate the adverse effects of uncertainty in financial markets and financial systems in the COMESA region.

The training is crafted to build from basics to advanced skills on modelling and forecasting volatility with specific focus on financial markets, while putting emphasis on theoretical rigor and hands-on application using E-Views econometric software.



Target Audience

The training is intended for economists, financial stability and financial markets analysts, supervisors and regulators especially from COMESA member Central Banks.

2.3. Basic Analysis of Various Monetary Policy Transmission Channel Using DSGE Modelling Framework.

Date: 17th – 21st April, 2023

Venue: Nairobi, Kenya

The main objective of this course is to enhance the capacity of monetary policy formulation and implementation through formulation, simulation, estimation and forecasting of macroeconomic variables using DSGE models. In particular, by the end of this course, the participants should be able to:

- (i) Develop a small to medium scale DSGE model that best describes the economic relationships between economic agents, sectors and macroeconomic variables;
- (ii) Calibrate and simulate a DSGE model;
- (iii) Estimate parameters of a DSGE model;
- (iv) Estimate impulse response functions and forecast error decomposition of a DSGE model; and,
- (v) Undertake forecasts using the DSGE model.

Target Audience

It is expected that the participants to this training have basic knowledge of calculus and Matlab.

2.4. Practical Application of Bayesian Vector Auto Regression (BVAR) approach to the Analysis of Monetary Policy Transmission Mechanism using R software.

Date: 8th – 12th May, 2023

Venue: Nairobi, Kenya

The developments in Bayesian VAR approach to the analysis of Monetary Policy Transmission Mechanism (MTM) is fast gaining traction in recent years, for the following key reasons:

- (i) It is more adept at dealing with different data sources or incorporating information from other studies;
- (ii) Is precise at parameter estimates;
- (iii) Has limited mathematical complexities; and,
- (iv) Produces more efficient forecasts.

The overall objective of the course is to compliment the capacity of Central Bank staff from COMESA member countries to conduct analytical work relevant to monetary policy transmission mechanism. Specifically, the training will equip the participants with basic analytical skills to conduct analytical works in Monetary policy and forecasting using Bayesian VAR.

The main objectives of this training, therefore, are to enable Central Bank Economists in COMESA member Central Banks to achieve the following:

- (i) Gain familiarity of the Bayesian VAR approach as a tool kit to the analysis of Monetary Policy Transmission Mechanism.
- (ii) Deepen understanding of interdependencies among key macroeconomic variables and the feedback effects thereof; and,
- (iii) Share experiences and network.

Target Audience

This course is intended to benefit Central bank economists, financial stability and financial markets analysts, supervisors and regulators from COMESA member countries with prior knowledge of VAR approach to econometric analysis. Participants are expected to have an advanced degree in economics, statistics or mathematics.

2.5. Intermediate Analysis of Various Monetary Policy Transmission Channel Using DSGE Modelling Framework

Date: 19th – 23rd June, 2023

Venue: Nairobi, Kenya

The main objective of this course is to further enhance skills in the formulation, simulation, estimation and forecasting of macroeconomic variables using DSGE models. As an intermediate course, the participants should be able at ease to:

- (i) Develop a medium to a more complex DSGE model that best describes the economic relationships between economic agents, sectors and macroeconomic variables;
- (ii) Calibrate and simulate a DSGE model;
- (iii) Estimate parameters of a DSGE model;
- (iv) Estimate impulse response functions and forecast error decomposition of a DSGE model; and,
- (v) Undertake forecasts using the DSGE model.

Target Audience

As a prerequisite, it is expected that the participants to this course will have participated in the training on Basic Analysis of Various Monetary Policy Transmission Channel Using DSGE Modelling Framework course.

2.6. Analytical Tools for Assessing Systemic Risk in the Financial System of Developing Countries.

Date: 3rd – 7th July, 2023

Venue: Nairobi, Kenya

The primary objective of the training is to demonstrate the practical application and implementation of the methodologies for systemic risk assessment.



The participants will discuss the process of development of composite financial stability indices which involves the following four stages:

- (i) Defining the indices: What aspect of systemic risk is each index supposed to measure?
- (ii) Indicator selection: Which supporting indicators are to be used for putting together the composite indices?
- (iii) Statistical methodology: What statistical methodology is to be used to put the “raw” indicators on a common scale, and how are the converted indicators aggregated into a common index?
- (iv) Verification and validation: Do the composite financial stability indices behave as expected, in terms of picking up on previous build ups of vulnerabilities or episodes of increasing stress?

The participants will be shown how to design a comprehensive data collection framework with which to obtain information from supervised institutions and other financial regulators.

Target Audience

The target audience is central bank statisticians, economists, financial stability analysts, supervisors and regulators from COMESA member countries. Participants are expected to have an advanced degree in economics, statistics, financial accounting or relevant equivalent experience.

2.7. Analysis of Payment System and Banking Interconnectedness and Systematic Risk Using Network Analysis.

Date: 17th – 21st July, 2023

Venue: Nairobi, Kenya

Financial institutions have expanded regionally, upscaling cross border transactions and in turn creating regional interlinkages. This has resulted in increased demand for seamless financial services within the region, leading to establishment of Regional Payments systems. Within COMESA member countries, payments systems have become more digital, interoperable, and interconnected. While this has come with immense benefits, it is also posing systemic risks, with prospects for systemic crisis in the event of shocks to the financial system.

The main objectives of the training are the following:

- (i) Enable participants to apply Network Analysis framework to assess and analyze payment system and banking interconnectedness;
- (ii) Enable participants to undertake systemic risk assessment and identify areas of vulnerabilities and emerging risks; and,
- (iii) Share knowledge and experience on payment system and banking interconnectedness and corrective measures to systemic risk.

Target Audience

It is expected that nominees for the training at least have basic knowledge of network analysis.

2.8. Application of Panel Vector Autoregressive (PVAR) to analyze the Transmission of Shocks to the Economy.

Date: 31st July – 4th August, 2023

Venue: Nairobi, Kenya

The course will expose participants to panel VAR models to analyze transmission of shocks to the economy. The training will examine the distinctive features of PVAR models, how they are used to analyze transmission of shock and how they can be applied to the analysis of monetary transmission mechanism. The training will examine how to estimate PVAR models, identification of shocks, and perform robustness checks with other comparable dynamic models that involve heterogeneous units.

The main objectives of this training, therefore, are to enable Central Bank Economists in COMESA member Central Banks to achieve the following:

- (i) Gain familiarity of the Panel VAR approach as a tool kit to the analysis of Monetary Policy Transmission Mechanism.
- (ii) To estimate PVAR models, perform identification of shocks and robustness checks with other comparable dynamic models; and,
- (iii) Share experiences and network.

Target Audience

This course is intended to benefit Central bank economists with prior knowledge of VAR approach to econometric analysis. Participants are expected to have an advanced degree in economics, statistics or mathematics.

2.9. CMI Training in Collaboration with The Central Bank of Egypt on “Challenges Facing COMESA Central Banks in Banking Supervision”

Date: 27th – 31st August, 2023

Venue: Cairo, Egypt

The supervisors are currently required to adequately manage macro and micro risks in order to be able to have early warning systems and early intervention strategies to avoid banking crises. Supervisors also need to embrace technology in order to keep up with the digital transformation that the industry is experiencing. As a consequence, supervisors face many challenges as they endeavor to safeguard banking and entire financial sector stability.

The main objectives of the training are:

- a) Equip the participants with knowledge on the challenges facing banking supervision;
- b) Examine new risks and challenges for banking supervision;
- c) Analyze new trends in Risk Management and Supervision;
- d) Examine recovery planning, early intervention and dealing with weak banks; and



- e) Share knowledge and experience on challenges facing banking supervision and how to deal with them.

Target Audience

The target group for this training are staff working at Bank Supervision Departments.

2.10. Macroeconomic Linkages and Economic Policy Analysis.

Date: 5th – 9th June, 2023

Venue: Nairobi, Kenya

The main objective of the course is to impact knowledge on the main macroeconomic accounts (real, fiscal, external, and monetary); and how they are linked with each other. Detailed analysis of each account and how they relate to each other will be presented, including policy implications of the changes in parameters from each account.

The training will equip participants with skills to understand macroeconomic accounting principles, how to link the various account and provide interpretation of the behavioral relationships between the macroeconomic accounts.

Target Audience

This course is intended to benefit Central bank economists who deal with analysis of the entire economy and are expected to give policy input on the direction on economic and financial developments. Knowledge of working with Excel software will be important.



3.0. Meetings/Workshops

3.1. Monetary and Exchange Rates Policies Sub-Committee meeting and Validation Workshop for the study on “*Exchange Rate Pass-Through to Domestic Prices*”

Date: 13th - 17th August, 2023

Venue: Nairobi, Kenya

3.2. Financial System Development and Stability (FSDS) Sub-Committee Meeting and Validation Workshop on “*Impact of Climate Change on Financial Stability*”

Date: 11th – 15th September, 2023

Venue: Nairobi, Kenya

3.3. The 43rd Meeting of the Bureau of the COMESA Committee of Governors of Central Banks

Date: October/November, 2023

Venue: Victoria Falls/Harare Zimbabwe

3.4. The 27th Meeting of the COMESA Committee of Governors of Central Banks

Date: October/November, 2023

Venue: Victoria Falls/Harare Zimbabwe



4.0 INFORMATION FOR PARTICIPANTS (FOR EVENTS TO BE HELD IN NAIROBI)

Visa and entry requirements

Participants are encouraged to contact the Embassy of the Democratic Republic of Kenya in their country to process their entry visa. Alternatively, participants are advised to check on visa eligibility and/or apply for Kenyan visa online by accessing the online application portal through the link below:

<https://evisa.go.ke/evisa.html>

All participants are reminded to have their yellow fever vaccination card available.

To enter Kenya, participants shall, at the port of entry, present proof that they are fully vaccinated against COVID-19, (having completed the primary vaccine series) to be allowed entry.

Airport Transfers

To facilitate airport reception, you are kindly requested to send your itinerary details to the contact persons (email addresses given on the next page) as soon as you have made your final travel arrangements.

On arrival at the meet & greet area at JKIA kindly look out for the printed paging board indicating your **full name & COMESA**. You may also get in touch with the contact persons in case you are unable to locate the receiving team.

Accommodation

Participants will be in charge of their accommodation costs. CMI will cater for the **conference package** (costs of the training/workshop/meeting, daily 3-course buffet lunch including a choice of soft drink, mid-morning & evening tea plus snacks).

Please find below the list of recommended hotels;

N°	Hotel	Room Type	Price displayed (USD) Non-resident	Comments
1.	Tribe Hotel www.tribe-hotel.com	Single Standard	260	Breakfast buffet, wifi, gym, pool Ten minutes to conference center
		Double	290	
2.	Trademark Hotel (By Tribe Hotel)	Single Standard	170	Breakfast buffet, wifi, gym, pool Ten minutes to conference center
		Double	190	
3.	Golden Tulip Westlands Hotel www.goldentulipwestlandsnairobi.com	Single Standard	120	Breakfast buffet, wifi, gym, pool

		Double	130	Ten minutes to conference center
4.	Hotel La Mada	Single Standard	140	Breakfast, wifi included Five minutes to conference center
		Double	160	
5.	Kenya School of Monetary Studies (KSMS) www.ksms.or.ke	Single Standard	60	Breakfast, wifi included (Rooms available at the venue of the conference).
6.	Cloud Hotel & Suites www.cloudhotelsuites.com	Single Standard	60	Breakfast, wifi included Ten minutes to conference center
7.	Sunstar Hotel www.sunstarhotelnairobi.com	Single Standard	50	Breakfast, wifi included Five minutes to conference center

Local Currency

The currency used in Kenya is the Kenya shillings (Kshs). The indicative exchange rate as of February 13, 2023 is:

1 United States Dollar (USD) for 125.08 Kenya Shillings

1 Euro for 134.73 Kenya Shillings

For Further Information

Please don't hesitate to contact the following persons, coordinating :

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